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鞍鋼股份有限公司

ANGANG STEEL COMPANY LIMITED*

(a joint stock company incorporated in the People's Republic of China with limited liability)

(Stock Code: 0347)

THIRD QUARTERLY REPORT 2024

The board of directors (the “**Board**”) of Angang Steel Company Limited* (鞍鋼股份有限公司) (the “**Company**”) is pleased to announce the unaudited results of the Company and its subsidiaries for the nine months ended 30 September 2024 (the “**Reporting Period**”) prepared in accordance with the Accounting Standards for Business Enterprises of the People’s Republic of China. This announcement is made pursuant to Rules 13.09 and 13.10B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Cap.571 of the Laws of Hong Kong).

The contents of this announcement are consistent with those contained in the announcement published on the Shenzhen Stock Exchange. This announcement is published simultaneously in Hong Kong and Shenzhen.

SECTION I IMPORTANT NOTICE:

1. The Board, the supervisory committee, the directors, supervisors and senior management members warrant the truthfulness, accuracy, and completeness of the contents of this quarterly report, and that there is no false representation or misleading statement contained in, or material omission from this quarterly report and assume joint and several legal liability in respect thereof.
2. Mr. Wang Jun, the person-in-charge of the Company, Mr. Wang Baojun, the chief accountant of the Company and Mr. You Yu, the person-in-charge of the accounting department of the Company, warrant the truthfulness, accuracy and completeness of the financial statements in this quarterly report.
3. Whether the third quarterly report has been audited or not
 Yes No
4. Matters on which auditors express non-standard opinions
 Applicable Not applicable

SECTION II

I. PRINCIPAL FINANCIAL DATA

(I) Principal accounting figures and financial indicators

Whether the Company needs to make any retrospective adjustment to, or restatement of, the accounting data of prior year(s)

Yes No

Reasons of retroactive adjustment or restatement: Business combination under the common control

Unit: RMB million

Item	The Reporting Period	The Reporting Period		Increase/decrease as compared with the corresponding period of the previous year (%)	The period from the beginning of the year to the end of the Reporting Period	The corresponding period of the previous year		Increase/decrease as compared with the corresponding period of the previous year (%)
		Before adjustment	After Adjustment			Before adjustment	After Adjustment	
Operating income	23,812	25,463	25,879	-7.99	79,261	84,288	85,946	-7.78
Net profit attributable to the shareholders of the Company	-2,395	-769	-769	-211.44	-5,084	-2,115	-2,113	-140.61
Net profit attributable to the shareholders of the Company after extraordinary items	-2,414	-778	-778	-210.28	-5,084	-2,133	-2,133	-138.35
Net cash flows from operating activities	-	-	-	-	-313	2,774	2,879	-110.87
Basic earnings per share (RMB/share)	-0.255	-0.082	-0.082	-210.98	-0.542	-0.225	-0.225	-140.89
Diluted earnings per share (RMB/share)	-0.255	-0.082	-0.082	-210.98	-0.542	-0.225	-0.225	-140.89
Weighted average return on net assets (%)	-4.71	-1.36	-1.36	Decreased by 3.35 percentage points	-9.73	-3.70	-3.70	Decreased by 6.03 percentage points

Item	The Reporting Period	As at the end of the previous year		Increase/decrease at the end of the Reporting Period as compared with the end of the previous year (%)
		Before adjustment	After Adjustment	After Adjustment
Total assets	98,898	97,014	97,506	1.43
Owners' equity attributable to shareholders of the Company	49,632	54,704	54,761	-9.37

Note: After the approval at the 27th meeting of the ninth session of the Board of the Company on 28 March 2024, the Company adjusted the capital contribution method of its subsidiary, Angang Steel Green Gold Industry Development Co., Ltd.* (鞍鋼綠金產業發展有限公司) (hereinafter referred to as Green Gold), Anshan Iron & Steel Co., Ltd. and Angang Group Zhongyuan Industrial Development Co., Ltd. contributed capital to Green Gold with their equity interests in Angang Steel Scrap Resources (Anshan) Limited* (鞍鋼廢鋼資源(鞍山)有限公司) (hereinafter referred to as Steel Scrap), respectively, making Steel Scrap a controlling subsidiary of Green Gold. The capital contribution by the shareholders of Green Gold was completed, and the Company retrospectively adjusted the accounting figures of the corresponding period of last year based on the principle of business combinations under common control.

(II) Non-recurring items and amounts

Applicable Not applicable

Unit: RMB million

Item	The Reporting Period	The period from the beginning of the year to the end of the Reporting Period
Gains or losses from disposal and retirement of non-current assets	-10	-54
Government grants included in profit or loss for the current period (except for those closely related to the normal operation of the Company and granted continuously at a fixed amount or quantity in accordance with the national policy)	56	67

Item	The Reporting Period	The period from the beginning of the year to the end of the Reporting Period
Current net profit and loss of subsidiaries from the beginning of the period to the date of the combination arising from business combination under common control		3
Changes in fair value of other non-current financial assets	-3	2
Other non-operating revenue and expenses except those mentioned above	-7	-2
	<u>36</u>	<u>16</u>
Subtotal		
Less: Effect on income tax	9	3
Effect on minority shareholders (after tax)	8	13
	<u>19</u>	<u>0</u>
Total	<u><u>19</u></u>	<u><u>0</u></u>

Details of other gains or losses that fall within the definition of non-recurring items

Applicable Not applicable

The Company does not have other gain or loss items that fall within the definition of non-recurring items.

Explanation on defining any extraordinary gain or loss items listed under the “Explanatory Announcement on Information Disclosure by Companies Offering Their Securities to the Public No. 1 – Extraordinary Gains or Losses” as recurring gain or loss items

Applicable Not applicable

None of the extraordinary gain or loss items listed under the “Explanatory Announcement on Information Disclosure by Companies Offering Their Securities to the Public No. 1 – Extraordinary Gains or Losses” was defined as a recurring gain or loss item by the Company.

(III) Changes in key accounting figures and financial indicators and the reasons thereof

Applicable Not applicable

1. The increase of RMB123 million in other income for the period from the beginning of the year to the end of the Reporting Period as compared with the corresponding period of the previous year was mainly due to the increase in other income arising from the company's entitlement to tax preferential policies.
2. The increase of RMB181 million in investment income for the period from the beginning of the year to the end of the Reporting Period as compared with the corresponding period of the previous year was mainly due to the increase in income from investments in joint ventures and associates.
3. The increase of RMB18 million in gains from changes in fair value for the period from the beginning of the year to the end of the Reporting Period as compared with the corresponding period of the previous year was mainly due to the changes in fair value such as derivative financial instruments.
4. The decrease of RMB306 million in losses on impairment of assets for the period from the beginning of the year to the end of the Reporting Period as compared with the corresponding period of the previous year was mainly due to the downturn in the steel market and the decline in steel prices, which resulted in the increase in the Company's provision for impairment of inventory as compared with the corresponding period of the previous year.
5. The decrease of RMB23 million in credit impairment losses for the period from the beginning of the year to the end of the Reporting Period as compared with the corresponding period of the previous year was mainly due to the decrease in accounts receivable of the reversal of provision for bad debts on individual basis as compared with the corresponding period of the previous year, resulting in the decrease in the reversal of bad debt provisions as compared with the corresponding period of the previous year.
6. The increase of RMB77 million in non-operating expenses for the period from the beginning of the year to the end of the Reporting Period as compared with the corresponding period of the previous year was mainly due to the increase in losses on retirement of fixed assets.

7. The increase of RMB829 million in income tax expenses for the period from the beginning of the year to the end of the Reporting Period as compared with the corresponding period of the previous year was mainly due to the deferred income tax expense not recognised for uncovered losses during the Reporting Period.
8. The decrease in operating profit, total profit, net profit and net profit attributable to owners of the parent company for the period from the beginning of the year to the end of the Reporting Period as compared with the corresponding period of the previous year was mainly due to the decline in steel settlement prices exceeding that of raw material prices, which further narrowed the profit margins.
9. The decrease of RMB1 million in derivative financial assets as at the end of the Reporting Period as compared with the end of the previous year was mainly due to the decrease in gains from variation of future contracts.
10. The aggregate decrease of RMB603 million in notes receivable and receivables financing as at the end of the Reporting Period as compared with the end of the previous year was mainly due to the Company increasing the proportion of bill payments, which impacted the reduction in bill inventory.
11. The increase of RMB1,236 million in accounts receivable as at the end of the Reporting Period as compared with the end of the previous year was mainly due to the increase in accounts receivable from export product and accounts receivable from customer product.
12. The increase of RMB31 million in other receivables as at the end of the Reporting Period as compared with the end of the previous year was mainly due to the increase in receivables of disposals of land.
13. The increase of RMB395 million in other current assets as at the end of the Reporting Period as compared with the end of the previous year was mainly due to the increase in time deposits.
14. The increase of RMB131 million in right-of-use assets as at the end of the Reporting Period as compared with the end of the previous year was mainly due to the increase in leased land use rights.
15. The decrease of RMB590 million in short-term loans as at the end of the Reporting Period as compared with the end of the previous year was mainly due to the repayment of short-term bank loans.

16. The decrease of RMB6 million in derivative financial liabilities as at the end of the Reporting Period as compared with the end of the previous year was mainly due to the decrease in losses from variation of future contracts.
17. The increase of RMB31 million in staff remuneration payable as at the end of the Reporting Period as compared with the end of the previous year was mainly due to the impact of wages and additional accruals.
18. The increase of RMB1,551 million in other payables as at the end of the Reporting Period as compared with the end of the previous year was mainly due to the increase in project payments and quality assurances.
19. The increase of RMB798 million in non-current liabilities due within one year as at the end of the Reporting Period as compared with the end of the previous year was mainly due to the impact of the transfer of long-term loans and bonds payable maturing within one year.
20. The increase of RMB2,656 million in long-term loans as at the end of the Reporting Period as compared with the end of the previous year was mainly due to the new long-term loans.
21. The decrease of RMB299 million in bonds payable as at the end of the Reporting Period as compared with the end of the previous year was mainly due to the impact of the transfer out of bonds payable maturing within one year to non-current liabilities due within one year.
22. The increase of RMB53 million in deferred income tax liabilities as at the end of the Reporting Period as compared with the end of the previous year was mainly due to the increase in deferred income tax liabilities recognized for right-of-use assets.
23. The increase of RMB137 million in lease liabilities as at the end of the Reporting Period as compared with the end of the previous year was mainly due to the increase in leased land use rights.
24. The increase of RMB267 million in long-term payables as at the end of the Reporting Period as compared with the end of the previous year was mainly due to the increase in capital-specific national subsidies received.
25. The decrease of RMB5,084 million in retained earnings as at the end of the Reporting Period as compared with the end of the previous year was mainly due to the losses of the Company.

26. The decrease of RMB3,192 million in net cash inflows from operating activities for the period from the beginning of the year to the end of the Reporting Period as compared with the corresponding period of the previous year was mainly due to (i) the decrease of RMB15,722 million in cash received from sales of goods and rendering of services as compared with the corresponding period of the previous year; (ii) the decrease of RMB10,340 million in cash paid for goods purchased and services received as compared with the corresponding period of the previous year; (iii) the decrease of RMB581 million in the cash payments to and on behalf of employees as compared to the same period of the previous year; and (iv) the decrease of RMB1,790 million in cash payment for other operating activities as compared to the same period of the previous year.
27. The increase of RMB218 million in net cash outflows from investing activities for the period from the beginning of the year to the end of the Reporting Period as compared with the corresponding period of the previous year was mainly due to (i) the decrease of RMB243 million in cash paid for acquisition and construction of fixed assets, intangible assets and other long-term assets as compared with the corresponding period of the previous year; and (ii) the increase of RMB502 million in cash payment for other investing activities as compared to the same period of the previous year.
28. The increase of RMB4,127 million in net cash inflows from financing activities for the period from the beginning of the year to the end of the Reporting Period as compared with the corresponding period of the previous year was mainly due to (i) the increase of RMB4,847 million in cash received from borrowings obtained as compared with the corresponding period of the previous year; (ii) the increase of RMB1,010 million in cash payment for repayment of debts as compared with the corresponding period of the previous year; and (iii) the decrease of RMB223 million in other cash payments relating to financing activities as compared with the corresponding period of the previous year.
29. The increase of RMB684 million in the increase of cash and cash equivalents for the period from the beginning of the year to the end of the Reporting Period as compared with the corresponding period of the previous year was due to (i) the decrease of RMB3,192 million in the net cash inflow from operating activities as compared to the same period of the previous year; (ii) the increase of RMB218 million in the net cash outflow from investing activities as compared to the same period of the previous year; (iii) the increase of RMB4,127 million in the net cash inflow from financing activities as compared to the same period of the previous year; and (iv) the decrease of RMB33 million in the effect of exchange rate changes on cash and cash equivalents as compared to the same period of the previous year.

II. INFORMATION ON SHAREHOLDERS

(I) Statement of the total number of holders of ordinary shares and holders of preference shares with restored voting rights, and the particulars of shareholdings of the top 10 shareholders

Unit: shares

Total number of holders of ordinary shares as at the end of the Reporting Period	105,734, amongst whom 453 are holders of H shares	Total number of holders of preference shares with restored voting rights as at the end of the Reporting Period (if any)	–
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Shareholding of the top 10 shareholders

Name of shareholder	Nature of shareholder	Percentage of Shareholding	Number of shares held	Number of shares held subject to trading moratorium	Pledged, tagged or frozen Status of shares	Number
Anshan Iron & Steel Group Co. Ltd (鞍山鋼鐵集團有限公司)	State-owned legal person	53.46%	5,016,111,529	0	–	–
HKSCC Nominees Limited	Overseas legal person	14.91%	1,399,025,086	0	–	–
China National Petroleum Corporation (中國石油天然氣集團有限公司)	State-owned legal person	9.01%	845,000,000	0	–	–
Central Huijin Asset Management Limited (中央匯金資產管理有限責任公司)	State-owned legal person	0.89%	83,650,620	0	–	–
Power Construction Corporation of China (中國電力建設集團有限公司)	State-owned legal person	0.60%	56,550,580	0	–	–
Hong Kong Securities Clearing Company Limited	Overseas legal person	0.59%	55,210,449	0	–	–
Agricultural Bank of China Limited – CSI 500 Trading Index Securities Investment Open-ended Fund (中國農業銀行股份有限公司–中證500交易型開放式指數證券投資基金)	Others	0.45%	41,910,848	0	–	–

Shareholding of the top 10 shareholders

Name of shareholder	Nature of shareholder	Percentage of Shareholding	Number of shares held	Number of shares held subject to trading moratorium	Pledged, tagged or frozen	Status of shares	Number
Hebei Jianzhi Casting Group Ltd.(河北建支鑄造集團有限公司)	Domestic non-state-owned legal person	0.18%	16,500,000	0	-	-	-
Chen Zhiying	Overseas natural person	0.16%	15,000,000	0	-	-	-
Cong Zhonghong	Domestic natural person	0.16%	14,675,300	0	-	-	-

Shareholding of the top 10 shareholders not subject to trading moratorium

Name of shareholder	Number of shares not subject to trading moratorium	Class and number of shares	
		Class of shares	Number
Anshan Iron & Steel Group Co. Ltd (鞍山鋼鐵集團有限公司)	5,016,111,529	Renminbi ordinary shares	5,016,111,529
HKSCC Nominees Limited	1,399,025,086	Overseas-listed foreign shares	1,399,025,086
China National Petroleum Corporation (中國石油天然氣集團有限公司)	845,000,000	Renminbi ordinary shares	845,000,000
Central Huijin Asset Management Limited (中央匯金資產管理有限責任公司)	83,650,620	Renminbi ordinary shares	83,650,620
Power Construction Corporation of China (中國電力建設集團有限公司)	56,550,580	Renminbi ordinary shares	56,550,580
Hong Kong Securities Clearing Company Limited	55,210,449	Renminbi ordinary shares	55,210,449

Shareholding of the top 10 shareholders not subject to trading moratorium

Name of shareholder	Number of shares not subject to trading moratorium	Class and number of shares	
		Class of shares	Number
Agricultural Bank of China Limited – CSI 500 Trading Index Securities Investment Open-ended Fund (中國農業銀行股份有限公司—中證500交易型開放式指數證券投資基金)	41,910,848	Renminbi ordinary shares	41,910,848
Hebei Jianzhi Casting Group Ltd.(河北建支鑄造集團有限公司)	16,500,000	Renminbi ordinary shares	16,500,000
Chen Zhiying	15,000,000	Renminbi ordinary shares	15,000,000
Cong Zhonghong	14,675,300	Renminbi ordinary shares	14,675,300
Explanations on connected relationship or concert party relationship among the shareholders mentioned above	The Company is not aware of any connected relationship among the above shareholders or any such shareholders acting in concert within the meaning of the “Procedures on the Administration of Information Disclosure for Change in Shareholdings of the Shareholders of Listed Companies”.		
Description of top 10 shareholders to participate in financing business (if any)	The 15,000,000 shares held by Chen Zhiying were all held through investor credit securities accounts. The 14,675,300 shares held by Cong Zhonghong were all held through investor credit securities accounts.		

Details of shareholders with more than 5% of shares, top ten shareholders and top ten shareholders not subject to trading moratorium to participate in the shares lent through securities lending and refinancing business

Applicable Not applicable

Unit: shares

Details of shareholders with more than 5% of shares, top ten shareholders and top ten shareholders not subject to trading moratorium to participate in the shares lent through securities lending and refinancing business

Name of shareholder	Shareholdings of the ordinary account and credit account at the beginning of the period		Shares lent through securities lending and refinancing at the beginning of the period and not yet returned		Shareholdings of the ordinary account and credit account at the end of the period		Shares lent through securities lending and refinancing at the end of the period and not yet returned	
	Percentage of total		Percentage of total		Percentage of total		Percentage of total	
	Total number	share capital	Total number	share capital	Total number	share capital	Total number	share capital
Agricultural Bank of China Limited – CSI 500 Trading Index Securities Investment Open-ended Fund (中國農業銀行股份有限公司–中證500交易型開放式指數證券投資基金)	13,188,648	0.14%	3,861,000	0.04%	0	0%	0	0%

Top ten shareholders and top ten shareholders not subject to trading moratorium changed as compared with the previous period due to lending/returning of shares through securities lending and refinancing

Applicable Not applicable

(II) Total number of holders of preference shares and shareholdings of the top 10 holders of preference shares

Applicable Not applicable

III. OTHER SIGNIFICANT EVENTS

Applicable Not applicable

On 29 July 2024, the Company completed the Repurchase and Cancellation of 450,666 Restricted Shares granted but not yet unlocked to 14 incentive participants at the Shenzhen Branch of China Securities Depository and Clearing Corporation Limited, and upon completion of the cancellation, the total share capital of the Company was reduced from 9,383,851,972 shares to 9,383,401,306 shares.

On August 30, 2024, the Company held the 30th meeting of the ninth board of directors to consider and approve the Resolution on the Repurchase and Cancellation of Restricted Shares that have been Granted to Some Incentive Participants of the 2020 Restricted Share Incentive Scheme but not yet Unlocked. Pursuant to which, the Company proposes to repurchase and cancel an aggregate of 14,180,048 restricted shares that have been granted to some incentive participants. The resolution is required to be submitted to the shareholders' general meeting, A Share class meeting and H Share class meeting of the Company for consideration and approval.

IV. QUARTERLY FINANCIAL STATEMENTS

(I) Financial Statement

Consolidated Balance Sheet

As at 30 September 2024

Prepared by: Angang Steel Company Limited *Monetary Unit: RMB million*

Item	30 September 2024	31 December 2023
Current assets:		
Cash and cash equivalents	3,111	3,319
Derivative financial assets	2	3
Notes receivable	256	112
Accounts receivable	3,026	1,790
Receivables financing	871	1,618
Prepayments	3,560	2,967
Other receivables	116	85
Including: Interests receivable		
Dividends receivable		27
Inventories	15,362	16,611
Other current assets	1,311	916
Total current assets	27,615	27,421
Non-current assets:		
Long-term equity investments	3,665	3,486
Other equity instrument investments	692	672
Other non-current financial assets	93	91
Fixed assets	48,954	48,788
Construction in progress	7,775	6,887
Right-of-use assets	138	7
Intangible assets	6,765	6,900
Deferred income tax assets	2,296	2,272
Other non-current assets	905	982
Total non-current assets	71,283	70,085
Total assets	98,898	97,506

Item	30 September 2024	31 December 2023
Current liabilities:		
Short-term loans	790	1,380
Derivative financial liabilities		6
Notes payable	17,330	17,583
Accounts payable	8,809	7,083
Contract liabilities	5,406	5,190
Staff remuneration payable	114	83
Tax payable	138	142
Other payables	4,977	3,426
Including: Interests payable	3	6
Dividends payable	1	
Non-current liabilities due within one year	798	
Other current liabilities	549	538
	<hr/>	<hr/>
Total current liabilities	38,911	35,431
	<hr/> <hr/>	<hr/> <hr/>
Non-current liabilities:		
Long-term loans	7,855	5,199
Bonds payable		299
Lease liability	139	2
Long-term payables	402	135
Long-term employee benefits payable	44	44
Deferred income	763	685
Deferred income tax liabilities	159	106
	<hr/>	<hr/>
Total non-current liabilities	9,362	6,470
	<hr/> <hr/>	<hr/> <hr/>
Total liabilities	48,273	41,901
	<hr/> <hr/>	<hr/> <hr/>

Item	30 September 2024	31 December 2023
Shareholders' equity:		
Share capital	9,383	9,384
Capital reserve	33,838	33,906
Less: Treasury shares	27	32
Other comprehensive income	192	176
Special reserve	72	69
Surplus reserve	4,457	4,457
Retained earnings	1,717	6,801
Subtotal of Shareholders' equity attributable to shareholders of parent company	49,632	54,761
Minority interests	993	844
	<hr/>	<hr/>
Total shareholders' equity	50,625	55,605
	<hr/> <hr/>	<hr/> <hr/>
Total liabilities and shareholders' equity	98,898	97,506
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<i>Legal representative:</i> Wang Jun	<i>Financial controller:</i> Wang Baojun	<i>Person in charge of accounting department:</i> You Yu
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Consolidated Income Statement
For the nine months ended 30 September 2024

Prepared by: Angang Steel Company Limited *Monetary Unit: RMB million*

Item	January to September 2024	January to September 2023
I. Total operating revenue	79,261	85,946
Including: Operating revenue	79,261	85,946
II. Total operating cost	84,507	89,105
Including: Operating cost	82,073	86,165
Taxes and surcharges	621	656
Selling expenses	413	460
Administrative expenses	925	1,245
Research and development expenses	295	357
Finance expenses	180	222
Including: Interests expenses	192	251
Interest income	33	50
Add: Other incomes	168	45
Investment income (Loss is listed with “-”)	386	205
Including: Investment incomes in associates and joint ventures	392	246
Gain from fair-value changes (Loss is listed with “-”)	70	52
Impairment on assets (Loss is listed with “-”)	(1)	22
Credit impairment losses (Loss is listed with “-”)	(319)	(13)
Gains on disposal of assets (Loss is listed with “-”)	35	

Item	January to September 2024	January to September 2023
III. Operating profit (Loss is listed with “-”)	(4,907)	(2,848)
Add: Non-operating income	21	29
Less: Non-operating expenses	112	35
IV. Profit before tax (Loss is listed with “-”)	(4,998)	(2,854)
Less: Income tax expenses	60	(769)
V. Net profit (Loss is listed with “-”)	(5,058)	(2,085)
(I) Classification of business operation		
1. Continuous operation profit (Loss is listed with “-”)	(5,058)	(2,085)
2. Termination of business operating profit (Loss is listed with “-”)		
(II) Classification of ownership		
1. Net income attributable to the Company owners	(5,084)	(2,113)
2. Net income attributable to minority shareholders	26	28
VI. Other comprehensive income after tax	16	40
Other comprehensive income after tax attributable to parent company owners	16	40
(I) Other comprehensive income which cannot be reclassified subsequently to profit or loss	16	40
1. Net gain on other equity instruments at fair value through other comprehensive income	15	40
2. Other comprehensive income which will be reclassified subsequently to profit or loss	1	

Item	January to September 2024	January to September 2023
(II) Other comprehensive income which will be reclassified subsequently to profit or loss		
1. The shares of the other comprehensive income which can be reclassified in profit or loss of the invested company in equity method		
Other comprehensive income after tax attributable to minority shareholders		
VII. Total comprehensive income	(5,042)	(2,045)
Total comprehensive income attributed to the Company owners	(5,068)	(2,073)
Total comprehensive income attributable to minority shareholders	26	28
VIII. Earnings per share		
Basic earnings per share <i>(RMB/share)</i>	(0.542)	(0.225)
Diluted earnings per share <i>(RMB/share)</i>	(0.542)	(0.225)

In the case of a business combination under the common control that occurred during the Reporting Period, the net income realized by the party to be combined before the combination was: RMB3 million, and the net income realized by the party to be combined during the previous period was: RMB9 million.

<i>Legal representative:</i> Wang Jun	<i>Financial controller:</i> Wang Baojun	<i>Person in charge of accounting department:</i> You Yu
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Consolidated Statement of Cash Flows
For the nine months ended 30 September 2024

Prepared by: Angang Steel Company Limited *Monetary Unit: RMB million*

Item	January to September 2024	January to September 2023
I. Cash Flows from Operating Activities:		
Cash received from sales and services	72,141	87,863
Taxes and surcharges refunds	96	39
Other cash receipts related to operating activities	512	758
	<hr/>	<hr/>
Sub-total of cash inflows from operating activities	72,749	88,660
	<hr/> <hr/>	<hr/> <hr/>
Cash payments for goods purchased and services received	68,225	78,565
Cash payments to and on behalf of employees	3,079	3,660
Payments of taxes and surcharges	848	856
Other cash payments relating to operating activities	910	2,700
	<hr/>	<hr/>
Sub-total of cash outflows from operating activities	73,062	85,781
	<hr/> <hr/>	<hr/> <hr/>
Net Cash Flows from Operating Activities	(313)	2,879
	<hr/> <hr/>	<hr/> <hr/>

Item	January to September 2024	January to September 2023
II. Cash Flows from Investing Activities:		
Cash receipts from disposals and returns of investments		
Cash receipts from returns on investments	340	204
Net cash receipts from disposals of fixed assets, intangible assets and other long-term assets	13	14
Other cash receipts relating to investing activities	111	92
	<hr/>	<hr/>
Sub-total of cash inflows from investing activities	464	310
	<hr/> <hr/>	<hr/> <hr/>
Cash payments to acquire and construct fixed assets, intangible assets and other long-term assets	2,028	2,271
Cash payments to acquire investments	113	
Other cash payments relating to investing activities	564	62
	<hr/>	<hr/>
Sub-total of cash outflows from operating activities	2,705	2,333
	<hr/> <hr/>	<hr/> <hr/>
Net Cash Flows from Operating Activities	(2,241)	(2,023)
	<hr/> <hr/>	<hr/> <hr/>

Item	January to September 2024	January to September 2023
III. Cash Flows from Financing Activities:		
Cash received from investments	72	14
Including: cash receipts from minorities making investment in subsidiaries	72	14
Cash receipts from borrowings	11,742	6,895
Other cash receipts relating to financing activities	_____	_____
Sub-total of cash inflows from financing activities	<u>11,814</u>	<u>6,909</u>
Cash repayments of amounts borrowed	9,178	8,168
Cash payments for distribution of dividends or profit or interest expenses	203	212
Including: payments for distribution of dividends or profit to minorities of subsidiaries	_____	_____
Other cash payments relating to financing activities	87	310
Sub-total of cash outflows from financing activities	<u>9,468</u>	<u>8,690</u>
Net Cash Flows from Financing Activities	<u>2,346</u>	<u>(1,781)</u>

Item	January to September 2024	January to September 2023
IV. Effect of Foreign Exchange Rate Changes on Cash and Cash Equivalents	<u><u> </u></u>	<u><u> 33</u></u>
V. Net Increase in Cash and Cash Equivalents	(208)	(892)
Add: Opening balance of Cash and Cash Equivalents	<u><u> 3,319</u></u>	<u><u> 5,234</u></u>
VI. Closing Balance of Cash and Cash Equivalents	<u><u> 3,111</u></u>	<u><u> 4,342</u></u>

Legal representative:
Wang Jun

Financial controller:
Wang Baojun

*Person in charge of
accounting department:*
You Yu

Parent Company Balance Sheet

As at 30 September 2024

Prepared by: Angang Steel Company Limited *Monetary Unit: RMB million*

Item	30 September 2024	31 December 2023
Current assets:		
Cash and cash equivalents	1,752	1,259
Derivative financial assets	2	3
Notes receivable	39	70
Accounts receivable	3,205	1,821
Receivables financing	355	1,092
Prepayments	2,658	2,431
Other receivables	104	88
Including: Interests receivable		
Dividends receivable		27
Inventories	12,211	13,210
Other current assets	1,075	608
Total current assets	21,401	20,582
Non-current assets:		
Long-term equity investments	14,178	13,901
Other equity instrument investments	692	672
Other non-current financial assets	93	91
Fixed assets	41,141	41,450
Construction in progress	6,953	5,995
Right-of-use assets	137	
Intangible assets	5,869	6,062
Deferred income tax assets	2,233	2,203
Other non-current assets	898	902
Total non-current assets	72,194	71,276
Total assets	93,595	91,858

Item	30 September 2024	31 December 2023
Current liabilities:		
Short-term loans	650	1,250
Derivative financial liabilities		6
Notes payable	16,346	16,789
Accounts payable	7,166	5,439
Contract liabilities	5,428	4,753
Staff remuneration payable	88	75
Tax payable	88	92
Other payables	6,214	4,802
Including: Interests payable	3	8
Dividends payable		
Non-current liabilities due within one year	798	
Other current liabilities	162	146
	<u>36,940</u>	<u>33,352</u>
Total current liabilities	<u>36,940</u>	<u>33,352</u>
Non-current liabilities:		
Long-term loans	7,758	5,089
Bonds payable		299
Lease liability	139	
Long-term payables	402	135
Long-term employee benefits payable	41	41
Deferred income	592	511
Deferred income tax liabilities	143	101
	<u>9,075</u>	<u>6,176</u>
Total non-current liabilities	<u>9,075</u>	<u>6,176</u>
Total liabilities	<u>46,015</u>	<u>39,528</u>

Item	30 September 2024	31 December 2023
Shareholders' equity:		
Share capital	9,383	9,384
Capital reserve	26,823	26,895
Less: Treasury shares	27	32
Other comprehensive income	192	176
Special reserve	36	38
Surplus reserve	4,447	4,447
Retained earnings	6,726	11,422
	<hr/>	<hr/>
Total shareholders' equity	47,580	52,330
	<hr/> <hr/>	<hr/> <hr/>
Total liabilities and shareholders' equity	93,595	91,858
	<hr/> <hr/>	<hr/> <hr/>

<i>Legal representative:</i> Wang Jun	<i>Financial controller:</i> Wang Baojun	<i>Person in charge of accounting department:</i> You Yu
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Parent Company Income Statement
For the nine months ended 30 September 2024

Prepared by: Angang Steel Company Limited *Monetary Unit: RMB million*

Item	January to September 2024	January to September 2023
I. Total operating revenue	66,540	74,242
Including: Operating revenue	66,540	74,242
II. Total operating cost	71,518	77,501
Including: Operating cost	69,372	74,999
Taxes and surcharges	496	535
Selling expenses	364	425
Administrative expenses	808	972
Research and development expenses	255	302
Finance expenses	223	268
Including: Interests expenses	219	273
Interest income	23	29
Add: Other incomes	90	38
Investment income (Loss is listed with “-”)	504	687
Including: Investment incomes in associates and joint ventures	369	249
Gain from fair-value changes (Loss is listed with “-”)	70	52
Credit impairment losses (Loss is listed with “-”)	(4)	19
Impairment on assets (Loss is listed with “-”)	(315)	(7)
Gains on disposal of assets (Loss is listed with “-”)	35	

Item	January to September 2024	January to September 2023
III. Operating profit (Loss is listed with “-”)	(4,598)	(2,470)
Add: Non-operating income	18	11
Less: Non-operating expenses	109	34
IV. Profit before tax (Loss is listed with “-”)	(4,689)	(2,493)
Less: Income tax expenses	7	(880)
V. Net profit (Loss is listed with “-”)	(4,696)	(1,613)
(I) Classification of business operation		
1. Continuous operation profit (Loss is listed with “-”)	(4,696)	(1,613)
2. Termination of business operating profit (Loss is listed with “-”)		
(II) Classification of ownership		
1. Net income attributable to the Company owners	(4,696)	(1,613)
2. Net income attributable to minority shareholders		

Item	January to September 2024	January to September 2023
VI. Other comprehensive income after tax	16	40
Other comprehensive income after tax attributable to parent company owners	16	40
(I) Other comprehensive income which cannot be reclassified subsequently to profit or loss	16	40
1. Net gain on other equity instruments at fair value through other comprehensive income	15	40
2. The shares of the other comprehensive income which cannot be reclassified in profit or loss of the invested company in equity method	1	
(II) Other comprehensive income which will be reclassified subsequently to profit or loss		
1. The shares of the other comprehensive income which can be reclassified in profit or loss of the invested company in equity method		
Other comprehensive income after tax attributable to minority shareholders		
VII. Total comprehensive income	(4,680)	(1,573)
Total comprehensive income attributed to the Company owners	(4,680)	(1,573)
Total comprehensive income attributable to minority shareholders		

Legal representative:
Wang Jun

Financial controller:
Wang Baojun

*Person in charge of
accounting department:*
You Yu

Parent Company Cash Flow Statement
For the nine months ended 30 September 2024

Prepared by: Angang Steel Company Limited *Monetary Unit: RMB million*

Item	January to September 2024	January to September 2023
I. Cash Flows from Operating Activities:		
Cash received from sales and services	62,123	76,482
Taxes and surcharges refunds	71	
Other cash receipts related to operating activities	446	550
	<hr/>	<hr/>
Sub-total of cash inflows from operating activities	62,640	77,032
	<hr/> <hr/>	<hr/> <hr/>
Cash payments for goods purchased and services received	58,598	68,690
Cash payments to and on behalf of employees	2,583	3,084
Payments of taxes and surcharges	583	369
Other cash payments relating to operating activities	760	2,322
	<hr/>	<hr/>
Sub-total of cash outflows from operating activities	62,524	74,465
	<hr/> <hr/>	<hr/> <hr/>
Net Cash Flows from Operating Activities	116	2,567
	<hr/> <hr/>	<hr/> <hr/>

Item	January to September 2024	January to September 2023
II. Cash Flows from Investing Activities:		
Cash receipts from disposals and returns of investments		
Cash receipts from returns on investments	478	685
Net cash receipts from disposals of fixed assets, intangible assets and other long-term assets	18	68
Other cash receipts relating to investing activities	91	65
	<hr/>	<hr/>
Sub-total of cash inflows from investing activities	587	818
	<hr/> <hr/>	<hr/> <hr/>
Cash payments to acquire and construct fixed assets, intangible assets and other long-term assets	1,697	2,003
Cash payments to acquire investments	217	
Other cash payments relating to investing activities	563	62
	<hr/>	<hr/>
Sub-total of cash outflows from operating activities	2,477	2,065
	<hr/> <hr/>	<hr/> <hr/>
Net Cash Flows from Operating Activities	(1,890)	(1,247)
	<hr/> <hr/>	<hr/> <hr/>

Item	January to September 2024	January to September 2023
III. Cash Flows from Financing Activities:		
Cash received from investments		
Including: cash receipts from minorities making investment in subsidiaries		
Cash receipts from borrowings	11,850	6,570
Other cash receipts relating to financing activities	70	1,211
	<u>11,920</u>	<u>7,781</u>
Sub-total of cash inflows from financing activities	<u>11,920</u>	<u>7,781</u>
Cash repayments of amounts borrowed	9,353	7,813
Cash payments for distribution of dividends or profit or interest expenses	215	200
Including: payments for distribution of dividends or profit to minorities of subsidiaries		
Other cash payments relating to financing activities	85	1,341
	<u>9,653</u>	<u>9,354</u>
Sub-total of cash outflows from financing activities	<u>9,653</u>	<u>9,354</u>
Net Cash Flows from Financing Activities	<u>2,267</u>	<u>(1,573)</u>

Item	January to September 2024	January to September 2023
IV. Effect of Foreign Exchange Rate Changes on Cash and Cash Equivalents	<u><u> </u></u>	<u><u> 33</u></u>
V. Net Increase in Cash and Cash Equivalents	493	(220)
Add: Opening balance of Cash and Cash Equivalents	<u><u>1,259</u></u>	<u><u>2,089</u></u>
VI. Closing Balance of Cash and Cash Equivalents	<u><u>1,752</u></u>	<u><u>1,869</u></u>

Legal representative:
Wang Jun

Financial controller:
Wang Baojun

*Person in charge of
accounting department:*
You Yu

(II) Particulars in relation to adjustments made to the financial statements as at the beginning of the year of the initial adoption new accounting standards since 2024

Applicable Not applicable

(III) Audit report

Whether the third quarterly report has been audited or not

Yes No

The third quarterly report of the Company is unaudited.

By Order of the Board
ANGANG STEEL COMPANY LIMITED*
Wang Jun
Executive Director and Chairman of the Board

Anshan City, Liaoning Province, the PRC
30 October 2024

As at the date of this announcement, the Board comprises of the following directors:

Executive Directors

Wang Jun
Zhang Hongjun
Wang Baojun
Deng Qiang

Independent Non-executive Directors

Wang Jianhua
Wang Wanglin
Zhu Keshi
Hu Caimei

Non-executive Directors

Tan Yuhai

* *For identification purpose only*